AMENDMENTS TO THE CLAIMS

The following listing of claims replaces all prior versions of the claims pending in this application:

Listing of Claims

- 1-80. (Canceled).
- 81. (Previously presented) An isolated nucleic acid molecule comprising the nucleic acid sequence:
 - (a)
 - CTGTATGTCAGCTTCCGAGACCTGGGCTGGCAGGACTGGATCATCGCGCCTG
 AAGGCTACGCGCGCTACTACTGTGAGGGGGAGTGTGCCTTCCCTCTGAACTC
 CTACATGAACGCCACCAACCACGCCATCGTGCAGACGCTGGTCCACTTCATC
 AACCCGGAAACGGTGCCCAAGCCCTGCTGTGCGCCCACGCAGCTCAATGCCA
 TCTCCGTCCTCTACTTCGATGACAGCTCCAACGTCATCCTGAAGAAATACAGA
 AACATGGTGGTCCGGGCCTGTGGCTGCCACTAGCTCCT (nucleotides 16-314 of
 SEQ ID NO: 42), or
 - (b) encoding an amino acid sequence:
 - LYVSFRDLGWQDWIIAPEGYAAYYCEGECAFPLNSYMNATNHAIVQTLV HFINPETVPKPCCAPTQLNAISVLYFDDSSNVILKKYRNMVVRACGCH (SEQ ID NO: 39), or a conservative amino acid variant thereof,
 - wherein said nucleic acid sequence encodes a protein competent to induce bone and cartilage in a mammal.
- 82. (Previously presented) The isolated nucleic acid molecule of claim 81 comprising the nucleic acid sequence
 - TGTAAGAAGCACGAGCTGTATGTCAGCTTCCGAGACCTGGGCTGGCAGGACT GGATCATCGCGCCTGAAGGCTACGCGCGCTACTACTGTGAGGGGGAGTGTGC CTTCCCTCTGAACTCCTACATGAACGCCACCAACCACGCCATCGTGCAGACG

CTGGTCCACTTCATCAACCCGGAAACGGTGCCCAAGCCCTGCTGTGCGCCCA CGCAGCTCAATGCCATCTCCGTCCTCTACTTCGATGACAGCTCCAACGTCATC CTGAAGAAATACAGAAACATGGTGGTCCGGGCCTGTGGCTGCCACTAGCTCC T (SEQ ID NO: 42),

or encoding an amino acid sequence:

CKKHELYVSFRDLGWQDWIIAPEGYAAYYCEGECAFPLNSYMNATNHAIVQTL VHFINPETVPKPCCAPTQLNAISVLYFDDSSNVILKKYRNMVVRACGCH (amino acids 6-107 of SEQ ID NO: 9).

- 83. (Currently amended) The isolated nucleic acid molecule of claim 81 or 82, wherein said protein competent to induce bone and cartilage further comprises
 - (a) a pair of unglycosylated polypeptide chains, each of said unglycosylated polypeptide chains having a molecular weight of about 14 kDa to 16 kDa, as determined by polyacrylamide gel electrophoresis under reducing conditions; or
 - (b) an unglycosylated dimeric protein having a molecular weight of about 27 kDa, as determined by polyacrylamide gel electrophoresis under non-reducing conditions.
- 84. (Cancelled)
- 85. (Cancelled)
- 86. (Cancelled)
- 87. (Currently amended) An isolated host cell transformed with the nucleic acid molecule of any one of claims 81, or 82, 84, 85, or 86.
- 88. (Currently amended) A<u>The isolated</u> host cell of claim 87, wherein said cell is a prokaryotic or <u>an</u> eukaryotic cell.
- 89. (Currently amended) The <u>isolated</u> host cell of claim 88, wherein said prokaryotic cell is an E.coli cell, and said eukaryotic cell is a Saccharomyces cell or a mammalian cell.
- 90. (Currently amended) The isolated nucleic acid molecule of any one of claims 81-8683, wherein the nucleic acid is DNA.

Amendment and Response U.S. Serial No. 09/754,831 Page 6 of 9

91. (Currently amended) The <u>isolated</u> host cell of any one of claims 87-89, wherein the nucleic acid is DNA.